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**SUPPLEMENT**  
**REPORT NO.**

The following report covers the activities of the Communist Party of Peru (PCP) during the month of October 1948 up to the time of the outbreak of the Arequipa revolt on 27 October 1948.

### General Comment

1. The hopes of the PCP reached a high point when the Bustamante government outlawed the Aprista Party after the abortive Callao revolt of 3 October. With their chief rival thus eliminated, the Communists hoped to make great progress in all fields, particularly on the labor front. The ineffectiveness of these attempts served to demonstrate once again the overall weakness of the Communists in Peru.

### A. The Orthodox PCP

Political: Reaction to the Callao Revolt

2. The immediate reaction of the PCP to the Callao revolt was one of elation, for they saw in the government's action against the APRA their chance to gain the support of the laboring classes. The PCP was the first Peruvian political party to issue a statement condemning the revolt. This statement was prepared and distributed in leaflet form by the Political Commission the evening of 3 October.
3. The first disillusionment came when no newspaper printed the statement the following day, although it had been distributed personally by the Communist deputies to El Comercio, La Prensa, and La Cronica. This omission was interpreted pessimistically by Party leaders to mean that whereas the right needed them in its fight against APRA, and willingly published their statements, after the fall of the Apristas, they would be dropped by the right and by the government as well.
4. They feared that the next step might be the outlawing of the PCP and planned to seek an audience with Bustamante to remind him again of his obligations and to obtain his assurances that no action was contemplated against the Party. They decided to await the return of Jorge del Prado, a fellow Arequipeno and personal friend of Bustamante who, they believed, of all Party leaders carried the most weight with the President.

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5. The PCP was also disconcerted by the statement drawn up by the Convencion de Partidos Democraticos on 4 October, condemning the revolt, and in effect, placing the Convencion at the disposal of the government in combating it. No representative of the Communist Party was consulted by the Convencion before the statement was issued. Although angered and annoyed at being by-passed, Party leaders did not dare to protest publicly, lest the government construe any such protest as being in favor of the revolution rather than as directed against the Convencion.
6. The fear that they would be outlawed is the theme of a statement issued by the National Control Commission on the XX anniversary of the Party on 7 October. Blaming pressure toward that end on Yankee imperialism, on APRA, on the feudal reactionary oligarchy, and on Juan P. Luna and his followers, the Control Commission made an appeal to "all honestly mistaken comrades" to return to the fold and to close the Party's ranks in defense of its legal existence.
7. A new propaganda line began to appear soon, in which the Communists restricted their attacks on the APRA, pointing out that the people had been deceived by false leadership. The Callao revolt was a result of this disorientation, and the PCP called on the masses to seek new leadership, i.e., that of the Communist Party, in their struggle against the right wing. This new propaganda line is clearly seen in the second Manifesto on the revolt, drawn up by the Political Commission of the PCP on 8 October, and published in Labor of 10 October. No positive results from this effort were reported during October and there is no evidence that the Apristas showed any signs of accepting Communist leadership or of moving toward the Communist Party during the month.
8. The Callao Local Committee drew up a leaflet attacking the Sechura Desert petroleum contract. This once favorite object of attack had not been mentioned for some time, and this instance appeared to be an isolated resurrection of the formerly popular theme.
9. The government communique, dated 14 October 1948, expelling Alexander Koseleff, his wife, Elizabeth Fuchs de Koseleff, and Eudocio Ravines from Peru for "Marxist activities of an international character" caused great concern in Party circles in Lima. The Koseleffs were known as strong Communist sympathizers, but they were not particularly active Party members. The PCP feared that if individuals at this level were objects of government action, it was a sure sign that the government had finally determined to make the Party illegal, in a step to fulfill the Bogota agreements signed by the Bustamante government.
10. A meeting of all Party leaders in the Lima area was called on 18 October to discuss preparations to be made in case the government should declare the Party illegal. Matters discussed were the mechanics of meeting underground, assigning pseudonyms to all Party leaders, continuing the publication of Labor in mimeograph form. Source stated that no definite action was taken at this meeting, which had been called for the purpose of discussing possibilities.
11. Preparations were also made to direct attacks against the American Ambassador if he should appear to favor APRA in any way in his statements, or afford asylum for escaping Aprista leaders. The Ambassador's attitude, however, was considered scrupulously correct by the Party, and no steps were taken to implement this proposed campaign.

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Central Committee: National Secretariat

12. Complaints and murmurs against the new Secretary General, Manuel Ugarte Saldaña, had become so general that a special meeting of the National Secretariat was called on 13 October to warn Ugarte of these rumors and to make suggestions for dealing with them. Ugarte made a spirited defense of his position, stating that it was a mistake to feel that the Secretary General of the Party should be a professional man or an intellectual. A laboring man had so much better an understanding of the problems of the workers than this advantage outweighed these of the wider contacts a professional man might have. He continued his defense by stating that he did not, however, work alone, and that his decisions were the product of the opinions of people of all strata of society whom he consulted.
13. Ugarte's statement is said to have satisfied Party leaders, but there is increasing evidence that Jorge del Prado remains the brains and the true leader of the orthodox PCP.
14. During the absence of del Prado, now National Secretary for Organization, his office has been in charge of Carlos Arbulo Miranda. The latter sent out a circular on 18 October to all Party organisms which had not been in recent contact with Party headquarters in Lima, reminding them that with the fall of APRA, the Party must intensify its efforts to win over both the masses and the elite of APRA.

Lima Departmental Committee

15. Segundo del Mar was selected at a meeting of the full Lima Departmental Committee on 24 October to replace Jose Marcos Godino as Secretary General of the Committee. Marcos had recently been designated a member of the National Control Commission and was unable to fill both positions. This meeting also approved a letter to be sent to selected Party members, soliciting funds to enable the Party to rent the apartment adjacent to Central Committee Headquarters, 669 Colmena.
16. The talk on agrarian reform which was delivered to the Party by Antonio Chavez Bedoya on 11 September 1948 met with such success that members of the Lima Departmental Committee had the text mimeographed for wider distribution. 25X1A2g  
Comment.  
 Chavez Bedoya's report does not embody the extreme suggestions generally expected in Communist proposals on this subject.)

Labor: National Syndical Commission

17. The leaders of the PCP believed that the Callao revolt and the subsequent suppression of the APRA presented the Party with an ideal opportunity to attain control of the Confederacion de Trabajadores del Peru (CTP), which until 3 October had been firmly in the hands of APRA.
18. With the imprisonment of many Aprista labor leaders after 3 October and the flight or disappearance underground of many others, the National Syndical Secretariat of the PCP immediately laid plans to take advantage of the leaderless state of the CTP and put the Communists back into control of the Confederation. X
19. They failed in this for two reasons. First, the state of siege forbade all labor meetings, consequently activity was restricted to plans, and individual conversations, and no important positive steps were possible. Second, the split in Communist and pro-Communist labor prevented any concerted action by labor as a whole which might conceivably have been effective in spite of the state of siege had unified action been possible.

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20. As it was, rivalry between the del Prado-led "Colmena Communists" (the orthodox PCP), the dissident Luna-Communists, still calling themselves "The Lima Departmental Committee of the PCP" and the group of ex-Communists and fellow-travelers, led by Jose Benites and organized in the articulate but numerically unimportant Frente de Unidad e Independencia Sindical (FUIS), prevented any unified action by anti-Aprista labor. The three weeks and three days between Callao and Arequipa quickly ran out with little accomplished except talk.
21. Like all other groups, the Communist Party found itself severely handicapped by the state of siege for, having strongly condemned the Callao Revolt, they did not wish to be caught violating the government's dispositions against it. Consequently they were limited in their activities to plans and correspondence in anticipation of the restoration of constitutional guarantees.
22. First concrete steps toward an effort to take advantage of the opportunity afforded by the outlawing of APRA to control the leadership of as many unions and labor organizations as possible, culminating in control of the CTP, were taken by the National Syndical Secretariat of the PCP in a circular dated 14 October 1948, distributed to Communist Syndical Secretaries throughout Peru.
23. The circular stated that a new era has opened with the outlawing of APRA, that many Apristas will have to abandon their positions as labor leaders, union officials and the like, and that although many opportunists will seek to take advantage of this "new" era, the Communists, are the only ones capable of guiding labor in the true path of its own interests...for its interests are our interests, since the Peruvian Communist Party is the party of the working class and of the laboring population." For the foregoing reasons, the National Syndical Commission ordered all Communist cells within unions to be activated immediately and instructed all such reorganized cells to demand that new union officers be chosen as soon as the state of siege was lifted.
24. In choosing such new officials, the circular directed that others as well as Communists should be chosen, taking care only that the principal posts, such as Secretary General and Secretaries of Organization, Defense, and Economy, remain in Communist hands. This step was taken so as not to repeat the Aprista error of immediately grabbing everything in sight. The circular directed that these new candidates be presented in the name of "Comites Democraticos Sindicales", which should not be exclusively Communist. The circular indicated that such syndical cells ("fracciones sindicales") should be made up of 3 to 9 persons and ordered that every effort be made to organize such meetings before the lifting of the state of siege, then expected in about two weeks. The circular is signed by the National Syndical Secretary, Eliceo Garcia Lazo.
25. This line of the orthodox PCP, namely, that the CTP and the existing labor federations should be kept intact, with fresh elections for new officers and new delegates to the CTP, was consistently advocated by the Party. The policy was supported in the Party news organ Labor for 23 October which reported an interview with German Aragonés Mango, a Communist railway worker, and new Secretary of the Chosica Traffic Committee of the Central Railway. An editorial, reportedly written by Eliceo Garcia, also attacked the Luna position that the CTP should be abolished and an entirely new organization founded. Luna's position was expressed by a Luna stooge, Desiderio Minaya, in an interview published in La Prensa for 12 October.

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Political Commission

26. The Political Commission met on 15 October and decided after long discussion that they would be forced to abandon their campaign to raise funds to purchase the press on which the Party organs had been printed. Juan Barrio, who had left for the southern provinces on 28 September to seek funds for the Party press, was recalled. It is noted that the communication which announced this decision referred once again to the strength of the Party in the Arequipa, Cuzco, and Puno areas, which are described as the only ones in a position to fulfill their commitments towards the campaign. There were seven members of the Commission present, in addition to the Secretary of the National Control Commission and the Administrator of the Press, Ernesto Rojas Zavala.
27. A second meeting of the Political Commission was held 26 October, and to avoid the restrictions imposed by the state of siege, this meeting was held at the home of one of its members. A final report was made on the problem of the liquidation of the press, and all possibilities for extending the lease or purchasing the press were exhausted. Ugarte reported that he saw no possibility of reaching a favorable agreement with the proprietor, who demanded that back rent, amounting to 10,000 soles, be paid before any further arrangements would be considered.
28. The committee in charge of the campaign "Pro-Imprenta" under Dr. Leonidas Klinge, and including Elias Tovar, Hugo Pesce, Rodolfo Ponce Martinez, Sergio Caller and others, reported that they had been able to raise only a relatively small amount.
29. Jorge del Prado, who had been recalled to Lima from Cuzco, reported that during his trip to the south he had been promised 20,000 soles in Arequipa, 45,000 in Cuzco, 10,000 in Puno and 5,000 in Sicuani but that these sums had been promised for the middle of December, and could not be collected before then.
30. The meeting was rallied by Jorge del Prado, who once again showed himself to be the strong man of the Party. He pointed out that the 80,000 soles which had been pledged could be used in a new enterprise, which would emphasize the stock company angle. He suggested that these 80,000 soles be accepted in payment for shares of 2,000 soles each. A new campaign was initiated, to be known as Pro-Empresa-Editora, the goal of which was to be the raising of 200,000 soles to acquire a press belonging wholly to the Party.
31. Notices of the new campaign were drawn up and mailed out 27 October. The covering letter, signed by the Secretary General, announced that two commissions would soon be sent to the north and center of the country in connection with the campaign. The local committees were requested to bear the expense of these commissions. The remainder of the letter was devoted to promoting the sale of shares in the new corporation to be formed by the Communists.

National Control Commission

32. The case of Sergio Velez Raygada, a newspaperman employed by La Prensa was turned over to the National Control Commission by the III National Congress of the PCP for further action. Velez Raygada had previously been before the control commission in September 1947, for "breach of discipline" but no further action was taken against him at that time.
33. Velez Raygada was expelled from the PCP by a resolution of the Control Commission in October, "for having betrayed the Party openly, going over to Ravinism (Eudocio Ravines faction), and becoming an oligarchic agent in the service of La Prensa."

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34. The National Secretary of Economy, Sergio Caller, sent out a separate and special appeal to members and sympathizers for regular direct contributions to the Party Treasury. These letters, which were sent out 18-19 October, pointed out that the Party is largely dependent for funds on the salary assessment of the four Communist Deputies, and on membership fees. It referred to decisions of the III National Congress to ensure the collection of dues from all members through more rigid control of the carnet system, but stated that a regular monthly contribution in addition will be necessary from those who can afford it, if the Party is to meet its obligations. It urged all members to enroll new sympathizers to swell the Party's funds, as soon as possible.
35. With reference to the contributions of the four Communist Deputies, who are required to turn a portion of their salaries over to the Party, the authorization by the government on 22 October for payment of the salaries of the Independent (i.e., non-Aprista) Deputies, including the Communists, was very favorably noted by the Party, for as will be seen from the above, the Party was in its customary financial straits, and badly needed its proportion of the Deputies' salaries.

Communist Youth Movement

36. No activities of the Communist Youth movement were reported during the month of October.

Movement of Prominent Communist Personalities

37. As reported above, Jorge del Prado left Lima 28 September for a trip through the southern provinces, charged with several missions by the Political Commission. He stated that his trip had been largely ruined by the state of siege, which prevented all public meetings. He reported, however, that before he returned to Lima on 17 October, the Communist leaders at the Quinta Eulalia, Cuzco, had staged a farewell party in his honor, which he was able to turn into an effective Party "pep-rally" in spite of the state of siege.
38. He stated that in Puno, Juliaca, and Sicuano the state of siege had prevented all public meetings, but that he was able to meet with individual local leaders, who were, particularly in Puno, liberal in their promises of help to the Central Committee's press campaign.
39. Del Prado reported that the reaction throughout the country to the 3 October uprising had been one of condemnation.
40. When the PCP National Electoral Commission was dissolved on 14 October following the government's postponement of all elections for the year, Juan Jacinto Paiva returned to Cuzco on 17 October for a month's vacation.

Correspondence and Contacts with Communists Abroad

41. Cuba. A letter received in mid-October from the Communist Party of Cuba referred to the difficulties which lay ahead for the Party under the government of Prío Socarras. The letter referred to him as the number one agent of Yankee imperialism whose primary objective is the annihilation of the Communist Party of Cuba. The letter was signed by Blas Roca.

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42. A second communication from Cuba arrived at Party headquarters on 26 October, and urged the PCP to send an immediate protest to the Cuban government against the assassination of Aracelio Iglesias Diaz of the Cuban maritime workers. The communication stated that if the Prio Socarras government lasts for another year the Communist Party will have been broken in Cuba. It was therefore necessary to demonstrate at once that the Cuban Communists are supported by the Communist Parties of all Latin America and that they do not stand alone.
43. Argentina. A communication was received from the Communist Party of Argentina which stated the position of the Argentine Communists in regard to Peron. They still oppose him, but are collaborating with him in his campaign to combat "the murderous plans of American imperialism". The letter quoted a statement of Lenin's to the effect that at times it was a matter of strategy to collaborate with the enemy if the Party would eventually benefit by such action.
44. A letter arrived at Party headquarters on 21 October addressed to Emilia Casas from the Proteccion de la Mujer, allegedly an Argentine Communist-front organization. In view of her present relations with the Party and the disciplinary action recommended against her mother, it was decided to open the letter to determine the exact nature of her dealings with this Argentine group. The letter was reportedly found to be satisfactory.
45. Chile. Salvador Ocampo passed through Lima on 9 October 1948 traveling from Santiago, Chile, to Havana, Cuba via Peruvian International Airways Flight No. 10/09. No word was received by the PCP of his arrival and nothing was known of his brief stop at the airport until after he had departed.

Publications

46. Only two issues of the Communist Party organ Labor appeared during the month of October, the first of these in honor of the XX Anniversary of the founding of the PCP by Jose Carlos Mariategui on 7 October 1928.
47. In a letter published in that issue, the change in Directorship was announced by the returning Director, Eliceo Garcia, who had held the position since May 1946. Luis Nieto appeared as the Director of Labor on the masthead of the last issue of the month, on 23 October. Nieto is well known in Party circles as a Cuzceño poet, writer and newspaperman. He founded one of the first Communist cells in Cuzco and was the founder and first Director of the Cuzco Communist news organ Jornada.
48. These issues of Labor were made possible through the partial success of the efforts to collect outstanding debts owed to the paper. Before the end of October, the local Committees of Huancayo, Piura, Sullana, Lampa, La Merced, Huamachuco, Ica, Pisco, Aija, Chancay, Juliaca and Carhuaz were reported to have paid up their debts to Labor in full, the Huancayo Committee forwarding a gift of 45.50 soles in addition. Comment. The presence of Piura and Sullana on this list is of some interest, indicating, as it may, a revival of Party enthusiasm in the north.)
49. Jornada of Cuzco continued to appear regularly during the month, four issues having been published during October.
50. Issues of Amauta, the Communist Party paper published in Pucallpa, continued to be made available in Lima through Miguel Montoya Chacon, Communist Party leader in

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Puquio, now Director of the paper. The latest number to be seen in Lima, "Año I, No. 4", is dated only October 1948. The paper contained a brief summary of the III National Congress of the PCP provided by Raul Vargas, Delegate to the Congress from Puquio, who represented the Province of Lucanas.

51. A special edition of a long anti-imperialist poem entitled "Que Despierte el Lenador" by the Chilean Communist poet Pablo Neruda was mimeographed in booklet form on newsprint by Luis Nieto, and copies were given to all those making financial contributions toward the newspaper.

Front Organization: Movimiento Democratico del Magisterio

52. The Communist-front teachers' organization, Movimiento Democratico del Magisterio, issued a second number of its newspaper Orientación during the month of October. The first number appeared in July 1948. The paper is still under the direction of Angel Flores de Paz, now Secretary of Economy of the Lima Departmental Committee of the PCP. Comment. At the time the first issue appeared in July, there were three PCP members among the five officers of this organization. They were Jose Marcos G., Secretary of Organization, Maximina Argote, Secretary of Economy, and Angel Florez de Paz, Press Secretary.)

Miscellaneous

53. A series of meetings throughout the country was planned for 7 October 1948 in honor of the twentieth anniversary of the founding of the PCP on 7 October 1928. Communist Party headquarters in Lima and the Cuzco departmental Committee announced plans for large celebrations. The provisions of the state of siege declared by the government on 3 October required that all these projected meetings be canceled. The anniversary was celebrated only by special editions of the newspapers Labor in Lima and Jornada in Cuzco.

B. Juan P. Luna and his Dissident Group

54. Few specific activities of the dissident group surrounding Juan P. Luna were reported during October. Like the orthodox Communist Party, they laid their plans for taking advantage of the elimination of APRA and gaining control of Peruvian labor when the state of siege should be lifted, but like the PCP they restricted these plans to talk, rather than action.
55. Whereas, however, the PCP was in favor of maintaining the CTP, advocating only the election of new delegates to the Confederation and new officers of that organization, the Luna group advocated dissolving the CTP and starting afresh with a clean slate to build a new organization. This new organization was to be known, perhaps, as a Congress of Peruvian Workers or some similar title. This view was made public by a Luna spokesman, Desiderio Minaya, of the Federacion de Panaderos "Estrella del Peru" in an interview printed in La Prensa for 12 October 1948, which prompted an immediate attack in the pages of Labor.
56. The explanation for these two differing attitudes may be found in the fact, previously reported, that the Central Committee maintained control of the organized Communist Party machinery throughout the country whereas Luna had been obliged to organize his group from scratch. In view of this, the Central Committee preferred to proceed within the framework of existing organizations, whereas Luna probably saw more favorable opportunities in a general shake-up and reorganization.

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